4191-02U

SOCIAL SECURITY ADMINISTRATION

20 CFR Parts 404 and 416

[Docket No. SSA-2014-0034]

RIN 0960-AH67

Extension of Expiration Date for Temporary Pilot Program Setting the Time and Place for a

Hearing Before an Administrative Law Judge

AGENCY: Social Security Administration.

ACTION: Final rule.

SUMMARY: We are extending for one year our pilot program that authorizes the agency to set the time and place for a hearing before an administrative law judge (ALJ). Extending the pilot program continues our commitment to improve the efficiency of our hearing process and provide accurate, high-quality decisions for claimants. The current pilot program will expire on August 9, 2014. In this final rule, we are extending the expiration date to August 10, 2015. We are making no other substantive changes.

DATES: This final rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Rainbow Forbes, Social Security

Administration, 5107 Leesburg Pike, Falls Church, VA 22041-3260, 703-605-8100 for information about this final rule. For information on eligibility for filing for benefits, call our

national toll-free number, 1-800-772-1213 or TTY 1-800-325-0778, or visit our Internet site, Social Security Online, at http://www.socialsecurity.gov.

SUPPLEMENTARY INFORMATION:

Background

Over the past several years, one of our highest priorities has been to improve the efficiency of our hearing process for the Old Age, Survivors, and Disability Insurance (OASDI) programs under title II of the Social Security Act (Act) and the Supplemental Security Income (SSI) program under title XVI of the Act. Toward that end, we began a pilot program in July 2010 (75 FR 39154), under which the agency, rather than the ALJ, may set the time and place of the hearing under certain circumstances. Because we expect to continue to face significant challenges in dealing with the historically large number of hearing requests, we must maintain programs and policies that can provide us with the flexibility we need to improve the efficiency of our hearing process.

On November 10, 2008, we published a notice of proposed rulemaking to amend our rules to allow the agency to set the time and place for a hearing before an ALJ. (73 FR 66564). Following receipt of public comments, we issued a final rule on July 8, 2010. (75 FR 39154). Under the rule, the agency acquired the authority to set the time and place for a hearing before an ALJ. In the rule, we explained that we would implement our authority to set the time and place for a hearing before an ALJ as a temporary pilot program. Therefore, we included in sections 404.936(h) and 416.1436(h) of the final rule a provision that the pilot program would end on August 9, 2013, unless we decided to either terminate the program earlier, or extend it beyond

that date by publication of a final rule in the <u>Federal Register</u>. On July 29, 2013, we extended the sunset date of the program until August 9, 2014.¹ (78 FR 45451).

Explanation of Extension

During the pilot program, we track ALJ productivity closely. We work with our ALJs to address any concerns about our hearing process. In situations where hearings were not being promptly scheduled, we worked with ALJs to correct these situations, and we continue to work with some ALJs on scheduling hearings with the expectation of using all authorities available. To date, our efforts to correct situations have been largely successful. We our retaining this authority in order to provide us with the flexibility we need to manage the hearing process appropriately. We consider the pilot program an important tool to better manage the number of hearings held and keep our hearing process as efficient as possible in our overall effort to reduce hearing backlogs.

During this extension of the pilot program, we will continue to monitor the productivity of ALJs, and we will continue to work with our ALJs to address any concerns regarding our hearing process. Accordingly, we are extending our authority to set the time and place for a hearing before an ALJ for another year, until August 10, 2015. As before, we are reserving the authority to end the program earlier, or to extend it by publishing a final rule in the <u>Federal</u> Register.

¹ http://www.gpo.gov/fdsys/pkg/FR-2013-07-29/pdf/2013-18143.pdf

Part 405

We are making one change to Part 405 for consistency with this final rule.

REGULATORY PROCEDURES

Justification for Issuing Final Rule Without Notice and Comment

We follow the Administrative Procedure Act (APA) rulemaking procedures specified in 5 U.S.C. 553 when developing regulations. Section 702(a)(5) of the Social Security Act, 42 U.S.C. 902(a)(5). Generally, the APA requires that an agency provide prior notice and opportunity for public comment before issuing a final rule. The APA provides exceptions to its notice and public comment procedures when an agency finds there is good cause for dispensing with such procedures because they are impracticable, unnecessary, or contrary to the public interest. We have determined that good cause exists for dispensing with the notice and public comment procedures for this rule. 5 U.S.C. 553(b)(B). This final rule only extends the date on which the pilot program will no longer be effective. It makes no substantive changes to our rules. Our current regulations expressly provide that we may extend the expiration date of the pilot program by notice of a final rule in the Federal Register. Therefore, we have determined that opportunity for prior comment is unnecessary, and we are issuing this rule as a final rule.

In addition, for the reasons cited above, we find good cause for dispensing with the 30-day delay in the effective date of this final rule. 5 U.S.C. 553(d)(3). We are not making any substantive changes in our rules. Without an extension of the expiration date for the pilot program, we will not have the flexibility we need to ensure the efficiency of our hearing process.

Therefore, we find it is in the public interest to make this final rule effective on the publication date.

Executive Order 12866 as supplemented by Executive Order 13563

We consulted with the Office of Management and Budget (OMB) and determined that this final rule does not meet the criteria for a significant regulatory action under Executive Order 12866 as supplemented by Executive Order 13563. Thus, OMB did not review the final rule.

Regulatory Flexibility Act

We certify that this final rule will not have a significant economic impact on a substantial number of small entities because it affects individuals only. Therefore, the Regulatory Flexibility Act, as amended, does not require us to prepare a regulatory flexibility analysis.

Paperwork Reduction Act

These rules do not create any new or affect any existing collections and, therefore, do not require Office of Management and Budget approval under the Paperwork Reduction Act.

(Catalog of Federal Domestic Assistance Program Nos. 96.001, Social Security—Disability Insurance; 96.002, Social Security—Retirement Insurance; 96.004, Social Security—Survivors Insurance; 96.006, Supplemental Security Income.)

List of Subjects

20 CFR Part 404

Administrative practice and procedure; Blind; Disability benefits; Old-age, Survivors, and Disability Insurance; Reporting and recordkeeping requirements; Social Security.

20 CFR Part 405

Administrative practice and procedure, Blind, Disability benefits, Old-Age, Survivors, and Disability Insurance, Public assistance programs, Reporting and recordkeeping requirements, Social Security, Supplemental Security Income (SSI).

20 CFR Part 416

Administrative practice and procedure; Aged; Blind; Disability benefits; Public assistance programs; Reporting and recordkeeping requirements; Supplemental Security Income (SSI).

Carolyn W. Colvin,

Acting Commissioner of Social Security.

For the reasons set out in the preamble, we are amending 20 CFR chapter III, parts 404, 405, and 416, as set forth below:

PART 404—FEDERAL OLD-AGE, SURVIVORS AND DISABILITY INSURANCE (1950—)

Subpart J — [Amended].

1. The authority citation for subpart J of part 404 continues to read as follows:

Authority: Secs. 201(j), 204(f), 205(a)-(b), (d)-(h), and (j), 221, 223(i), 225, and 702(a)(5) of the Social Security Act (42 U.S.C. 401(j), 404(f), 405(a)-(b), (d)-(h), and (j), 421, 423(i), 425, and 902(a)(5)); sec. 5, Pub. L. 97-455, 96 Stat. 2500 (42 U.S.C. 405 note); secs. 5, 6(c)-(e), and 15, Pub. L. 98-460, 98 Stat. 1802 (42 U.S.C. 421 note); sec. 202, Pub. L. 108-203, 118 Stat. 509 (42 U.S.C. 902 note).

2. In § 404.936, revise the second sentence in paragraph (h) to read as follows:

§404.936 Time and place for a hearing before an administrative law judge.

* * * * *

(h) <u>Pilot program</u>. * * * These provisions will no longer be effective on August 10, 2015, unless we terminate them earlier or extend them beyond that date by notice of a final rule in the <u>Federal Register</u>.

PART 405—ADMINISTRATIVE REVIEW PROCESS FOR ADJUDICATING INITIAL DISABILITY CLAIMS

Subpart D—[Amended]

3. The authority citation for part 405 continues to read as follows:

Auhtority: AUTHORITY: Secs. 201(j), 205(a)-(b), (d)-(h), and (s), 221, 223(a)-(b), 702(a)(5), 1601, 1602, 1631, and 1633 of the Social Security Act (42 U.S.C. 401(j), 405(a)-(b), (d)-(h), and (s), 421, 423(a)-(b), 902(a)(5), 1381, 1381a, 1383, and 1383b).

4. In §405.315, revise the second sentence in paragraph (e) to read as follows:

§ 405.315 Time and place for a hearing before an administrative law judge.

* * * * *

(e) <u>Pilot program.</u> * * * These provisions will no longer be effective on August 10, 2015, unless we terminate them earlier or extend them beyond that date by notice of a final rule in the Federal Register.

PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

Subpart N—[Amended]

5. The authority citation for subpart N of part 416 continues to read as follows:

Authority: Secs. 702(a)(5), 1631, and 1633 of the Social Security Act (42 U.S.C. 902(a)(5), 1383, and 1383b); sec. 202, Pub. L. 108-203, 118 Stat. 509 (42 U.S.C. 902 note).

6. In §416.1436, revise the second sentence in paragraph (h) to read as follows:

§ 416.1436 Time and place for a hearing before an administrative law judge.

* * * * *

(h) <u>Pilot program</u>. * * * These provisions will no longer be effective on August 10, 2015, unless we terminate them earlier or extend them beyond that date by notice of a final rule in the Federal Register.

 $[FR\ Doc.\ 2014-16782\ Filed\ 07/17/2014\ at\ 8:45\ am;\ Publication\ Date:\ 07/18/2014]$